

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 8010

BILL NUMBER: HB 2073

DATE PREPARED: Mar 01, 1999

BILL AMENDED: Feb 25, 1999

SUBJECT: Assessed value of the exempt property.

FISCAL ANALYST: Bob Sigalow

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FUNDS AFFECTED: **GENERAL
DEDICATED
FEDERAL**

IMPACT: Local

Summary of Legislation: (Amended) This bill requires each township assessor to report to the State Board of Tax Commissioners by November 1 of each year the assessed value of property in the township that is owned by the United States, the state, or a local unit of government and that is exempt from property taxation. The bill also requires the State Board of Tax Commissioners to report annually to the General Assembly concerning the assessed value of the exempt property.

Effective Date: July 1, 1999.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: (Revised) Each year, this bill would require township assessors to determine the assessed value of all local, state, and federally owned real property in Indiana that is exempt from property taxation. The township assessors would report the exempt value to the State Tax Board. The assessors would also report the value of property that is no longer exempt and the value of property which is newly exempt. The State Tax Board would report the results to the General Assembly each year.

The assessed value of the exempt real property would include the value of both land and improvements. While data regarding improvements is not currently available, some data on the amount of land owned by the state and federal governments does exist. The following is a statewide summary of the acreage owned by the state and federal government. Actual acreage is used when available. Other figures are estimates:

| | | |
|---|---------------|-----------------|
| U.S. Government owned | | 470,000 |
| State of Indiana owned | | |
| Reported by State Land Office | 349,235 | |
| Indiana Department of Transportation | 175,000 | |
| State assisted colleges and universities | <u>27,376</u> | |
| Total State owned | | <u>551,611</u> |
| Total estimated state and federally owned | | 1,021,611 acres |

There is currently no data concerning land owned by local government.

Township assessors would incur additional expenses in assessing the exempt property. Township assessor expenses are paid from the county General Fund and from the county Reassessment Fund during general reassessments. Property tax levies for these funds are limited to the county's maximum permissible levy. Any increase in expenditures would be paid from increased property taxes (if the county chooses to do so and if the county is not already at its maximum levy) or from other county resources.

An estimate of the cost is not yet available. This fiscal note will be updated when additional information is available.

Explanation of Local Revenues:

State Agencies Affected: State Tax Board.

Local Agencies Affected: Township Assessors.

Information Sources: Jim Lewis, State Land Office; Indiana Department of Higher Education; Indiana Department of Transportation; *Statistical Abstract*, U.S. Census Bureau.